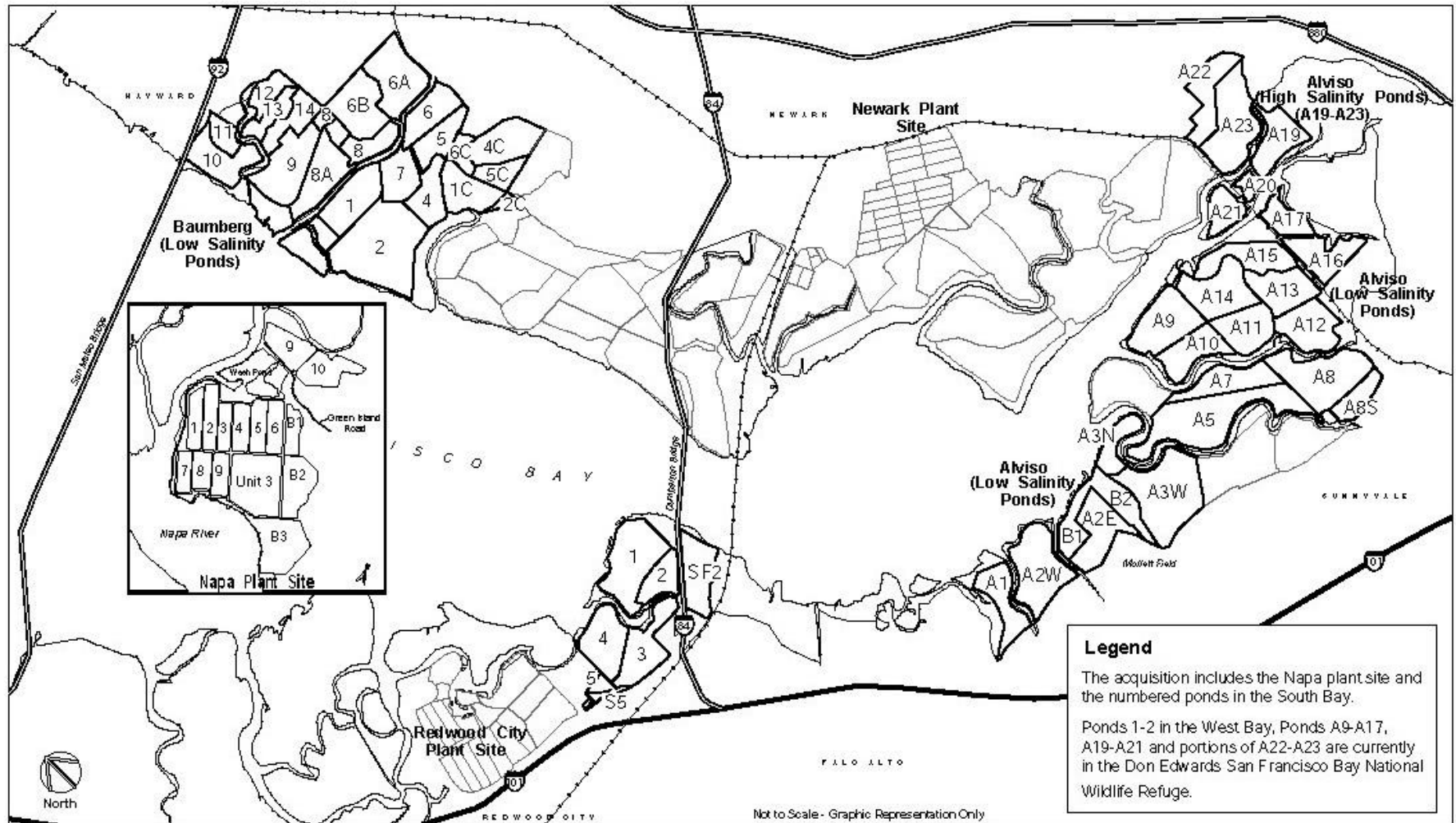


## Exhibit A



## EXHIBIT B

Chart<sup>1,2</sup> identifying physical condition (Wet or Dry) of Ponds  
(as defined in Section 1(a)(i)(1))

Pond Number	Wet	Dry	Proposed Interim Habitat	Comments
<b>Alviso Ponds</b>				
A1	X			
A2W	X			
B1	X			
B2	X			
A2E	X			
A3W	X			
A3N <sup>2</sup>	X	X	Seasonal	Salinity of Pond can elevate rapidly in spring or summer.
A5	X			
A7	X			
A8	X	X	Seasonal	
A8S	X	X	Seasonal	Pond is dry now for snowy plovers.
A9	X			
A10	X			
A11	X			
A12	X			
A13	X			
A14	X			
A15	X			
A16	X			
A17	X			
A19	X	X	Tidal/Seasonal	Salinity of Pond can elevate rapidly in spring and summer. Gypsum present.
A20	X	X	Tidal/Seasonal	" "
A21	X	X	Tidal/Seasonal	" "
A22	X	X	Seasonal	Ponds are now kept fairly dry for snowy plovers. Gypsum present.
A23	X	X	Seasonal	" "
<b>Baumberg Ponds</b>				
1	X			
2	X			
4	X			
5	X			
6	X			
7	X			
1C	X			
2C	X			
4C	X			
5C	X			
6C	X			
10	X			
11	X			

12	X	X	Seasonal	Salinity of Pond can elevate rapidly in spring and summer. Gypsum present.
13	X	X	Seasonal	" "
14	X	X	Seasonal	" "
9	X	X		Wet conditions in rainy months. Gypsum present.
8A	X	X		" "
8	X	X		" "
6A	X	X	Seasonal	Wet conditions in rainy months.
6B	X	X	Seasonal	Wet conditions in rainy months
<b>West Bay Ponds</b>				
1	X			Gypsum present
2	X			" "
3	X			" "
4	X			" "
5	X			" "
SF2	X			Gypsum present. Some high ground may be exposed.

<sup>1</sup> For the purposes of this chart, the initial salinity discharge limit is assumed to be 13 Baume or 150 ppt. If the Regional Water Quality Control Board requires a lower salinity level for the initial discharge, the process described in Section 1(b) of this Agreement may be followed.

<sup>2</sup> For those ponds where both "wet" and "dry" physical conditions are indicated, the condition at transfer will depend on seasonal conditions, precipitation patterns, etc. Generally, in the winter the ponds will be transferred "wet" and in the summer the ponds will be transferred "dry."

## **EXHIBIT C**

### **CLOSURE REPORTS: TESTING PROTOCOL AND REPORT OUTLINE**

This Exhibit describes the testing protocol and report outline to be used in completing the Closure Reports described in Section 1(d)(iv) of this Agreement. These Closure Reports are applicable to Ponds A1-A17 (excluding A4) and A19-21 of the Alviso Unit, all Ponds in the Baumberg Unit and all Ponds in the West Bay Unit.

#### **Testing Protocol**

##### Review of Transfer Standard:

The Independent Licensed Professional (ILP) shall be provided with and will thoroughly review Section 1 (and applicable definitions), Exhibit B and Exhibit C of the Agreement and any applicable permits issued by the Regional Water Quality Control Board (RWQCB) for discharge of surface waters from the South Bay Ponds.

##### Collection of Samples and Analytical Methods:

The ILP shall accompany the Cargill designee and closely observe all sampling efforts. The following sample locations and number of samples are presumed to provide samples representative of the average conditions in each Pond and shall be utilized in collecting samples under this Testing Protocol. However, if the ILP demonstrates that the sample locations or number of samples specified are not representative of the average properties of the whole Pond being sampled, the ILP may independently collect additional samples in the same location or at alternative locations, in addition to the samples collected by Cargill.

Sample locations in each Pond are shown on Figure 1. These locations generally provide good access and are representative of Pond conditions. Collection of samples will take place where there is adequate circulation and at approximately mid-depth level (1/2 the level of the brine). Sampling locations may be changed, as appropriate, if inclement weather makes the sampling point inaccessible or to a point where the Pond has better circulation and is more representative of the Pond condition. Cargill will consult with the ILP prior to a change in the sampling location for any Pond. At least one sample will be taken for each Pond for which a Closure Report is requested.

Salinity: Samples for salinity shall be measured in the field in Baume using a new hydrometer and thermometer for each continuous period of field effort. The Baume measurement shall be corrected for temperature, using the correction table attached as Table 1. Both the actual Baume measurement and the temperature-corrected Baume number will be recorded, but the temperature-corrected Baume number will be used as the final sample measurement. The final report will include both these measurements, as well as a conversion from Baume to salinity using Table 2, the Conversion Table for Baume to Salinity.

Other Parameters: Required sampling and analysis for parameters other than salinity, if any, shall be completed using techniques generally recognized and accepted as standard by a laboratory certified by the California State Department of Health Services to perform such analysis, or as otherwise required by the applicable RWQCB permits. If additional sample collection is required, each sample will be taken under the supervision of the ILP and placed into a 2-liter high density polyethylene (HDPE) or equivalent material container (with the proper preservative added per the laboratory's instructions) and immediately sealed

Specific methods of analysis must be identified on each laboratory report. Any modifications to standard methods to eliminate known interferences shall be reported with the sample results. The method used shall also be reported. Analysis shall be expedited, if necessary, to meet the due dates specified in Section 1(d) of the Agreement.

Chain-of-custody procedures shall be established and followed to ensure that specific individuals are responsible for sample integrity from commencement of sample collection through delivery to an approved laboratory.

#### Confirmation of Removal of Brines from Dry Ponds

The ILP will inspect the Dry Pond and record the condition of the Pond. Cargill will relate the activities it has conducted to meet this criteria to the ILP. The ILP will record these activities for inclusion in the Closure Report. If the ILP determines that the Pond does not meet the Dry standard, the ILP will identify any additional efforts necessary to meet the Dry standard.

### **Closure Report Outline**

#### **I. Scope of Work - Pond(s) Description**

- A. Identify Pond(s) addressed by the Closure Report
- B. Include site vicinity location map and scaled plot plan showing sampling locations

#### **II. Investigative Methods**

- A. Brief narrative of work done
- B. For each Pond sample collected or inspection performed
  - 1. date and time of sample collection or inspection
  - 2. names, titles, and affiliations of any individuals present

3. collection or inspection techniques used

- C. Tabular summary of all analytical data collected

Include field data results of the Baume measurements for each Pond (both direct and temperature-corrected) and the conversion of this data to salinity

- D. If laboratory analysis conducted

1. Laboratory analytical methods

2. Laboratory sheets of analysis

3. Chain of custody summary

### III. Conclusion

- A. Representation by the Independent Licensed Professional (ILP) that the ILP has conducted a review in accordance with the above Testing Protocol and that in the ILP's opinion:

1. For those Ponds that are to be left at Cargill Completion in the Physical Condition specified in Exhibit B of the Agreement as Wet, that the liquid in each such Pond meets the applicable RWQCB permit discharge requirements for the initial discharge of surface waters from that Pond; or

2. For those Ponds that are to be left at Cargill Completion in the Physical Condition specified in Exhibit B of the Agreement as Dry, that the Pond is Dry and Cargill has used reasonable efforts to remove substantially all of the liquid from the surface and from borrow ditches, including the use of portable pumps where necessary

- B. Signature of Independent Licensed Professional

- C. Credentials –brief statement of relevant qualifications of ILP.

**EXHIBIT C**  
**Table 1**

**TEMPERATURE CORRECTIONS FOR BAUME READINGS**

Temperature			Baume Range		
°F	0 - 2° Be'	2 - 4° Be'	4 - 8° Be'	8 - 16° Be'	Plus 16° Be'
50	-0.14	-0.16	-0.18	-0.24	-0.28
51	-0.12	-0.14	-0.17	-0.21	-0.25
52	-0.11	-0.12	-0.15	-0.19	-0.22
53	-0.10	-0.11	-0.13	-0.17	-0.19
54	-0.08	-0.09	-0.11	-0.14	-0.17
55	-0.07	-0.08	-0.09	-0.12	-0.14
56	-0.05	-0.06	-0.07	-0.09	-0.11
57	-0.04	-0.05	-0.06	-0.07	-0.08
58	-0.02	-0.03	-0.04	-0.05	-0.06
59	-0.01	-0.02	-0.02	-0.02	-0.03
60	0.00	0.00	0.00	0.00	0.00
61	+0.02	+0.02	+0.02	+0.03	+0.03
62	+0.04	+0.05	+0.05	+0.06	+0.06
63	+0.06	+0.07	+0.07	+0.08	+0.09
64	+0.09	+0.09	+0.10	+0.11	+0.12
65	+0.10	+0.11	+0.12	+0.14	+0.15
66	+0.13	+0.14	+0.15	+0.17	+0.18
67	+0.15	+0.16	+0.17	+0.19	+0.21
68	+0.17	+0.18	+0.20	+0.22	+0.24
69	+0.19	+0.20	+0.22	+0.25	+0.27
70	+0.21	+0.23	+0.24	+0.28	+0.30
71	+0.24	+0.25	+0.27	+0.30	+0.33
72	+0.26	+0.27	+0.29	+0.33	+0.36
73	+0.28	+0.29	+0.32	+0.36	+0.39
74	+0.30	+0.32	+0.34	+0.39	+0.42
75	+0.32	+0.34	+0.37	+0.42	+0.45
76	+0.34	+0.36	+0.39	+0.44	+0.48
77	+0.36	+0.38	+0.41	+0.47	+0.51
78	+0.39	+0.41	+0.44	+0.50	+0.54
79	+0.41	+0.43	+0.46	+0.53	+0.57
80	+0.43	+0.45	+0.49	+0.56	+0.60
81	+0.45	+0.48	+0.51	+0.58	+0.63
82	+0.47	+0.50	+0.54	+0.61	+0.66
83	+0.49	+0.52	+0.56	+0.64	+0.69
84	+0.51	+0.54	+0.59	+0.67	+0.72
85	+0.54	+0.57	+0.61	+0.69	+0.75
86	+0.56	+0.59	+0.63	+0.72	+0.77
87	+0.58	+0.61	+0.66	+0.75	+0.80

88	+0.60	+0.64	+0.68	+0.77	+0.83
89	+0.62	+0.66	+0.71	+0.80	+0.86
90	+0.64	+0.68	+0.73	+0.83	+0.89
91	+0.66	+0.70	+0.76	+0.86	+0.92
92	+0.68	+0.73	+0.78	+0.88	+0.95
93	+0.71	+0.75	+0.81	+0.91	+0.98
94	+0.73	+0.77	+0.83	+0.94	+1.01
95	+0.75	+0.79	+0.85	+0.97	+1.04
96	+0.77	+0.82	+0.88	+0.99	+1.07
97	+0.79	+0.84	+0.90	+1.02	+1.10
98	+0.81	+0.86	+0.93	+1.05	+1.13
99	+0.83	+0.89	+0.95	+1.08	+1.16
100	+0.86	+0.91	+0.98	+1.10	+1.19

**Table 2**

**BAUME TO SALINITY CONVERSION TABLE**

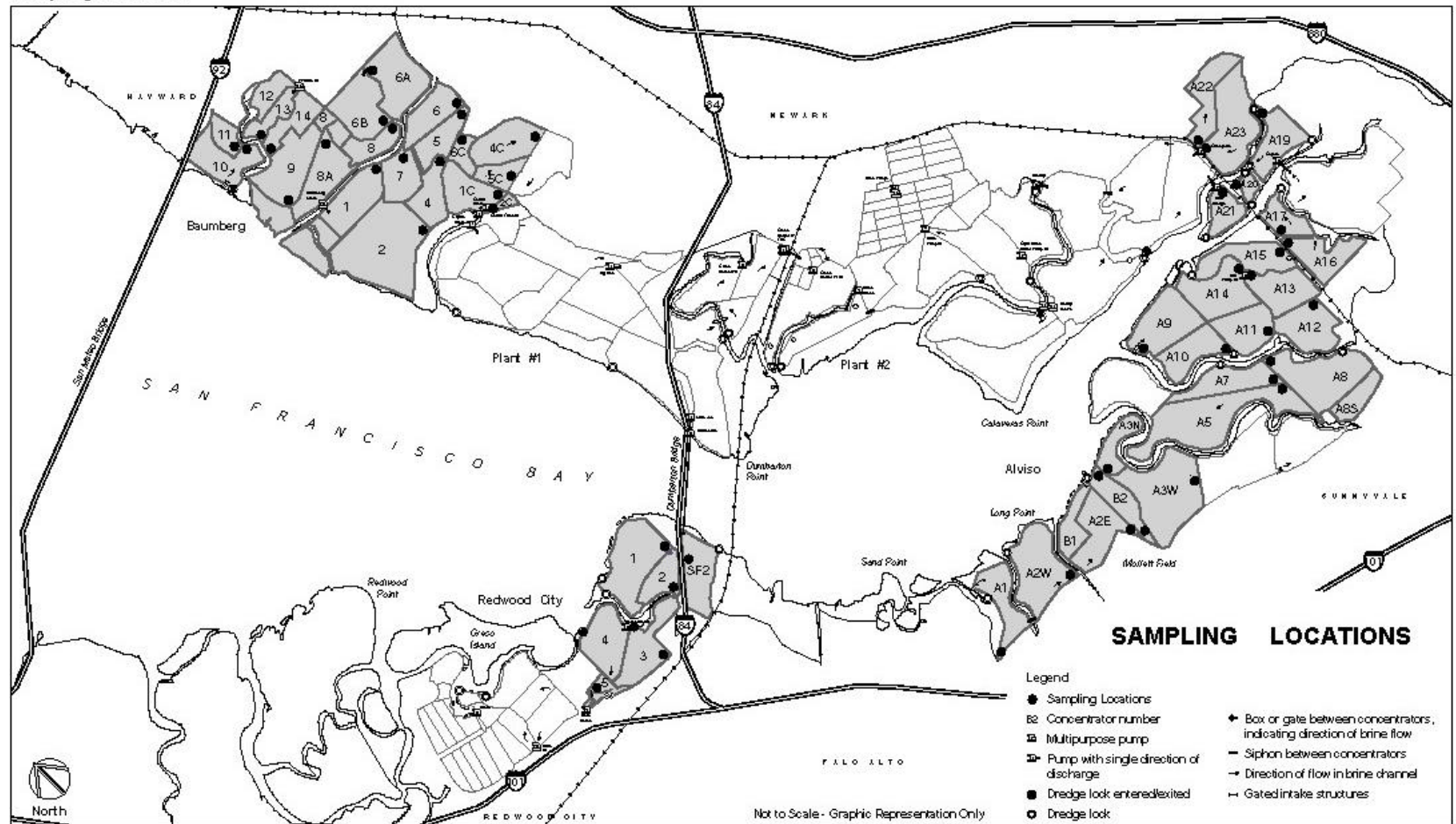
Baume	Salinity (ppt)
0.5	7.2
1.0	12.2
1.5	17.1
2.0	22.1
2.5	27.1
3.0	32.1
3.5	37.2
4.0	42.2
4.5	47.3
5.0	52.4
5.5	57.5
6.0	62.7
6.5	67.8
7.0	73.0
7.5	78.2
8.0	83.5
8.5	88.7
9.0	94.0
9.5	99.3
10.0	104.6
10.5	109.9
11.0	115.2
11.5	120.6
12.0	126.0
12.5	131.4
13.0	136.8

13.5	142.3
14.0	147.8
14.5	153.3
15.0	158.8
15.5	164.3
16.0	169.9
16.5	175.4
17.0	181.0
17.5	186.7
18.0	192.3
18.5	198.0
19.0	203.6
19.5	209.3
20.0	215.0
20.5	220.8
21.0	226.5
21.5	232.3
22.0	238.1
22.5	244.0
23.0	249.8
23.5	255.7
24.0	261.5
24.5	267.5
25.0	273.4
25.5	279.3
26.0	285.3



# Exhibit C - Figure 1

## Sampling Locations



J:\2000\449m\apsworking files\01-08-03 pond salinity.bw.ai

08 January 2003

## **EXHIBIT D**

### **POND UNITS FOR CLOSURE**

(each bullet point signifies a Pond or Pond unit that can be closed independently of other Ponds or Pond units)

#### **Alviso**

- A1, A2W
- A2E, B1, B2, A3W
- A3N
- A5, A7
- A8
- A8S
- A9, A10, A11, A14, A12, A13, A15
- A16, A17
- A19
- A20
- A21
- A22, A23

#### **Baumberg**

- 10, 11
- 12, 13
- 14
- 9, 8A
- 8
- 6A, 6B
- 1, 2, 4, 7
- 6, 5, 6C, 5C, 4C, 2C
- 1C

#### **Napa**

- 9, 10
- B1, B2, B3, Unit 3
- Crystallizers

#### **West Bay**

- 1, 2, 3, 4, 5, 5S
- SF-2

## EXHIBIT E

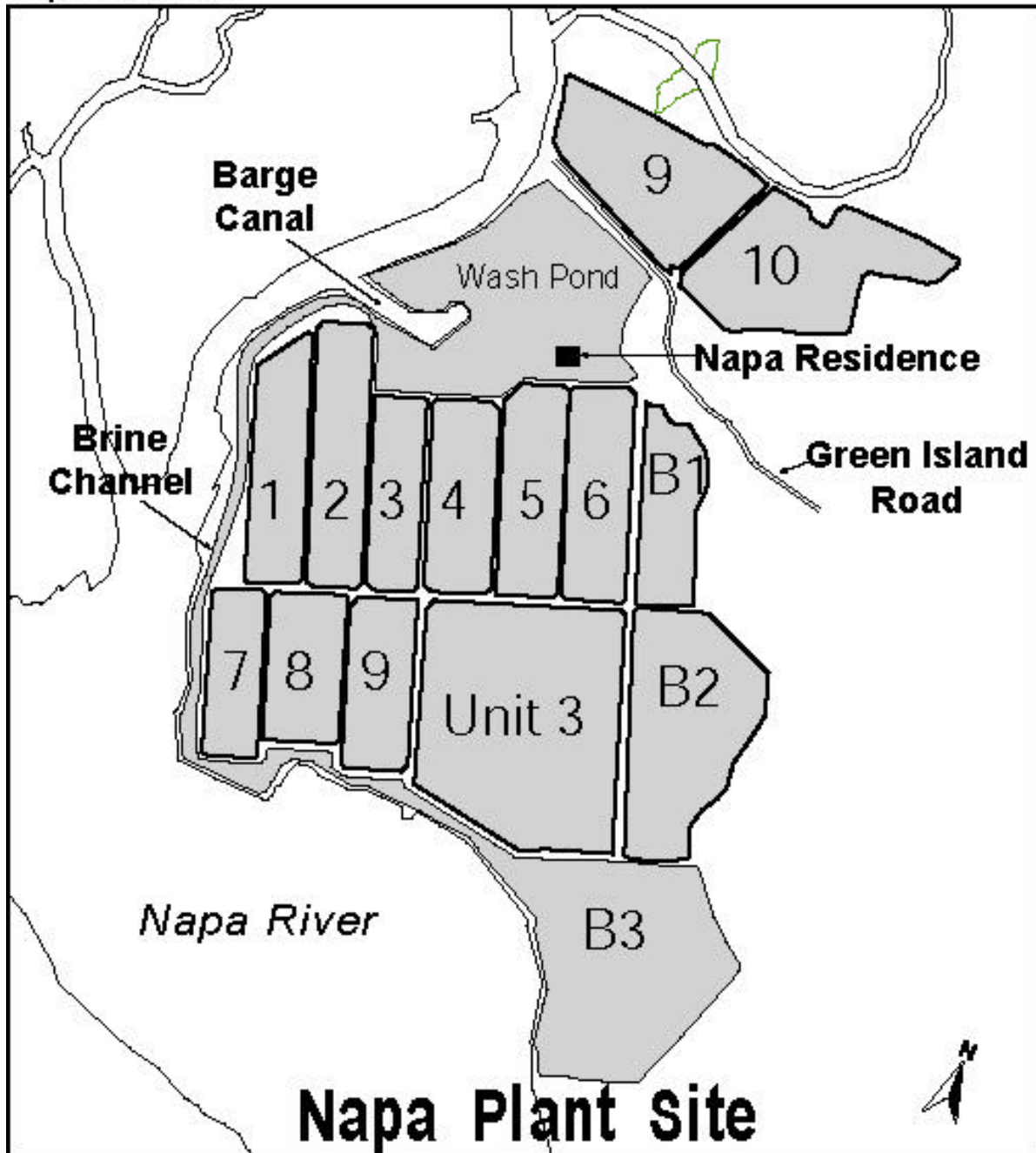
### ROUGH TONNAGE OF SALTS PRESENT IN THE NAPA PONDS

<b>Pond</b>	<b>Salts in Tons</b>
Pond 9	20,000
Pond 10	70,000
B1	55,000
B2	110,000
B3	15,000
Unit 3	100,000
Crystallizer 1	45,000
Crystallizer2	45,000
Crystallizer 3	30,000
Crystallizer 4	50,000
Crystallizer5	35,000
Crystallizer 6	30,000
Crystallizer 7	30,000
Crystallizer 8	35,000
Crystallizer 9	35,000
<b>Total</b>	<b>705,000</b>

## EXHIBIT F

### NAPA SITE DIAGRAM

Exhibit F  
Napa Plant Site



## **EXHIBIT G**

### **COST SHARING ARRANGEMENTS FOR RWQCB PERMIT APPLICATIONS**

The following shall apply to costs incurred after the signing of the Framework Agreement (May 29, 2002) for studies, modeling, permit applications, and any other work needed to obtain permits to discharge brines from the South Bay Ponds which the United States and the State are acquiring from Cargill, Inc. as part of the concurrent Conveyance Agreement. The Parties acknowledge that prior to May 29, 2002, Cargill had already expended a considerable sum in developing salinity models for discharges and general plans for water control structures that will be integral parts of any permit applications.

Permitting costs will include, but not be limited to, the collection and analysis of water and sediment samples; additional modeling of water quality impacts from the discharge; preparation of environmental documents to comply with the National Environmental Policy Act and the California Environmental Quality Act; as well as preparation and processing of permit applications. Although each of the Parties will separately hire consultants and contractors to complete these tasks, they will jointly discuss the scopes of work and the selection of consultants/contractors.

The cost sharing arrangement is as follows: for the first \$500,000 in expenses incurred after the signing of the Framework Agreement, Cargill will be responsible for 50% and the United States and the State will each be responsible for 25%. For any expenses above \$500,000, Cargill, the United States and the State will each be responsible for 33-1/3%. The Parties will meet at regular intervals to assure the costs are being distributed appropriately.

**EXHIBIT H****FINANCIAL SECURITY**

<b>UNITED STATES PROPERTY</b> (including capital and labor costs)		<b>STATE PROPERTY</b> (including capital and labor costs)	
<b>Unit</b>	<b>Cost</b>	<b>Unit</b>	<b>Cost</b>
Alviso Low Salinity Ponds	\$500,000.00	Baumberg Low Salinity Ponds	\$500,000.00
Alviso High Salinity Ponds	\$6,490,000.00	Napa Ponds	\$5,550,000.00
West Bay Ponds	\$2,960,000.00		
<b>United States Total</b>	<b>\$9,950,000.00</b>	<b>State Total</b>	<b>\$6,050,000.00</b>

## **SCHEDULE 1**

### **PERMITS AND AUTHORIZATIONS FOR CARGILL'S OPERATION AND MANAGEMENT OF THE PROPERTY**

1. Department of the Army Permit  
Permittee: Cargill Salt Division  
Permit Number: 19009S98  
Issuing Office: Department of the Army  
San Francisco District  
333 Market Street  
San Francisco, CA 94105-2197  
Time Limit for Authorized Work: July 31, 2005

The District Engineer, U.S. Army Corps of Engineers (Corps) issued a Department of the Army permit for certain structures and work occurring in or affecting navigable waters of the United States and the discharge of dredged or fill material into waters of the United States, pursuant to Section 10 of the Rivers and Harbors Act of 1899 (33U.S.C. 403) and Section 404 of the Clean Water Act (33 U.S.C. 1344)

Project Purpose: To sustain operation and production of the solar salt facilities in the South San Francisco Bay.

Section 7 Biological Opinion issued by the United States Fish and Wildlife Service on June 9, 1995

The Regional Water Quality Control Board approved a resolution approving water quality certification on May 24, 1995

2. San Francisco Bay Conservation and Development Commission  
50 California Street, Suite 2600  
San Francisco, California 9411

Amendment No. 3 to Permit 4-93 (Issued on March 14, 1995, as amended through August 29, 2002)

Issuing Authority: McAteer-Petris Act

Purpose: To support maintenance of the salt pond system that provides significant benefits including shorebird habitat and open space.

Permit to remain in effect until February 16, 1995

3. United States Environmental Protection Agency  
California Department of Toxic Substances Control

Hazardous Waste Generator Identification Number  
Napa Plant Site  
EPA I.D. #CAD981576085  
DTSC I.D. #HYHQ36014109

Expiration Date: none

4. California State Water Quality Control Board  
General Stormwater Permit for Napa Plant Site  
WDID 228S002742

Expiration Date: none

5. Regional Water Quality Control Board, San Francisco Bay Region  
National Pollutant Discharge Elimination System Permit  
Napa Plant Site  
CA0028681

Expiration Date: June 16, 1998 – currently operating under an extension

6. Napa County Environmental Health  
(Certified Unified Program Agency)  
Hazardous Materials Business Plan  
Napa Plant Site  
No permit number

Expiration Date: none